



OCT 11 2012

The Honorable Bobby Jindal
Governor of Louisiana
Post Office Box 94004
Baton Rouge, Louisiana 70804-9004

Dear Governor Jindal:

This letter provides conditional approval of Louisiana's State Plan (excluding waiver requests) for Title I of the Workforce Investment Act (WIA), the Wagner-Peyser Act (W-P), including W-P Agricultural Outreach Plan, and plans for coordination with Trade Adjustment Assistance (TAA). The Employment and Training Administration (ETA) received the State Plan on July 11, 2012. This letter also separately addresses Louisiana's WIA waiver requests.

Training and Employment Guidance Letter (TEGL) Number 21-11, issued on March 27, 2012, provides guidance for states to submit their State Workforce Plans and waivers for Program Year (PY) 2012 and beyond. We appreciate the State's responsiveness to this guidance.

Plan Review and Approval

ETA has reviewed the Louisiana State Plan in accordance with Title I of WIA, the W-P, the Trade Act (as amended), the corresponding regulations, the State Integrated Workforce Plan Requirements for Workforce Investment Act Title I/Wagner-Peyser Act and Department of Labor Workforce Programs (<http://www.doleta.gov/usworkforce/wia-planning/docs/integrated-planning-guidance.pdf>), and TEGL No. 21-11. Pursuant to 20 CFR 661.230(e), this letter constitutes a written determination under WIA Section 112 (29 USC 2822) that ETA is approving the WIA Title I, W-P and TAA portions of Louisiana's State Plan for the period July 1, 2012 through June 30, 2017, PY 2012-PY 2016, with the exceptions noted below. ETA is approving the State Plan on the condition that the State provide the following required policies to meet the State Integrated Workforce Plan requirements:

- Assurance 10: written policy that describes the state's appeal process available to units of local government or grant recipients that request, but are not granted, designation of an area as a local area under WIA Section 116.
- Assurance 11: written policy that describes the state's appeal process for requests not granted for automatic or temporary and subsequent designation as a local workforce investment area.

- Assurance 26: written policy and procedures for any distribution of funds to local workforce investment areas reserved for rapid response activities, including the timing and process for determining whether a distribution will take place.
- Assurance 27: written policy and procedures to competitively award grants and contracts for WIA Title I activities.
- Assurance 28: written criteria to be used by local workforce investment boards in awarding grants for youth activities, including criteria that the governor and local workforce investment boards will use to identify effective and ineffective youth activities and providers of such activities.

The State must modify its State Plan to include the above required items, and submit a modification to ETA at your earliest convenience but no later than January 7, 2013. The annual W-P Agricultural Outreach Plan is approved for the period July 1, 2012 through June 30, 2013.

The State is eligible to receive WIA formula allotments for Adult, Dislocated Worker, and Youth programs, and W-P program allotments, effective July 1, 2012 through June 30, 2017, under the condition that the information identified above is provided.

Performance Levels

Each year, the Regional Administrator negotiates the Program Year's WIA and W-P performance goals with each state. As required by TEGL No. 21-11, negotiations must be completed by December 31, 2012 for PY 2012. Once the final goals are established, the Regional Administrator's letter advising the State of the PY 2012 WIA and W-P final performance goals constitutes a modification to the State Plan. ETA will incorporate Louisiana's final performance goals for PY 2012 into the Regional and National Office copies of the State Plan. Please include these final PY 2012 goals in the State's official copy of the State Plan.

Waivers

As part of Louisiana's State Plan, the State submitted waiver requests for waivers of statutory and regulatory requirements under WIA (copy enclosed). The State's request for waivers is written in the format identified in WIA Section 189(i)(4)(B) and 20 CFR 661.420(c). The disposition of the State's waiver requests is outlined below. This action is taken under the Secretary's authority at WIA Section 189(i) to waive certain requirements of WIA Title I, Subtitles B and E, and Sections 8-10 of the W-P.

Approved Waivers:

Waiver of WIA Section 133(b)(4) to increase the allowable transfer amount between Adult and Dislocated Worker funding streams allocated to a local area.

The State has requested a waiver to permit an increase in the amount a state is allowed to transfer between the Adult and Dislocated Worker funding streams. The State is granted

this waiver through June 30, 2017. Under the waiver, transfer authority is limited to 50 percent. This limitation provides states flexibility while ensuring consistency with Congressional intent regarding the level of funding appropriated for the WIA Adult and Dislocated Worker programs.

Waiver to permit the State to replace the performance measures at WIA Section 136(b) with the common measures.

The State has requested a waiver that allows the State to replace the 17 performance measures under WIA Section 136(b) with the common measures. The State is granted this waiver through June 30, 2017.

This waiver permits the State to negotiate and report WIA outcomes against the common performance measures only, rather than the performance measures described at WIA Section 136(b). The State will no longer negotiate and report to ETA on the following WIA measures: WIA adult and dislocated worker credential rates; participant and employer customer satisfaction; older youth measures; and younger youth measures. The State will use the three adult common performance measures to negotiate goals and report outcomes for the WIA Adult and WIA Dislocated Worker programs. The State will use the three youth common performance measures to negotiate goals and report outcomes for the WIA Youth program. Workforce Investment Act Standardized Record Data system (WIASRD) item 619, Type of Recognized Credential, should be completed for each individual as appropriate, regardless of this waiver to report on common performance measure outcomes only.

Waiver of the provision at 20 CFR 663.530 that prescribes a time limit on the period of initial eligibility for training providers.

The State has requested a waiver of the time limit on the period of initial eligibility of training providers provided at 20 CFR 663.530. The State is granted this waiver through June 30, 2017. Under the waiver, the State is allowed to postpone the determination of subsequent eligibility of training providers. The waiver also allows the State to provide an opportunity for training providers to re-enroll and be considered enrolled as initially eligible providers.

Waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts for older and out-of-school youth.

The State has requested a waiver of the prohibition at 20 CFR 664.510 on the use of Individual Training Accounts (ITAs) for older youth and out-of-school youth program participants. The State is granted this waiver through June 30, 2017. Under this waiver, the State can use ITAs for older youth and out-of-school youth program participants. The State must continue to make the 10 youth program elements available as described at WIA Section 129(c)(2). The State should ensure that funds used for ITAs are tracked and that the ITAs are reflected in the individual service strategies for these youth.

Waiver of the required 50 percent employer contribution for customized training at WIA Section 101(8)(C).

The State has requested a waiver of the required 50 percent employer contribution for customized training to permit the use of a sliding scale for the employer contribution based on the size of the business. The State is granted this waiver through June 30, 2017. Under the waiver, the following sliding scale is permitted: 1) no less than 10 percent match for employers with 50 or fewer employees, and 2) no less than 25 percent match for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent contribution) continue to apply. When determining the funding source for customized training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide customized training to individuals age 18 and older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide customized training to dislocated workers with WIA Dislocated Worker funds. Customized training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA Section 101(31)(B) to increase the employer reimbursement for on-the-job training.

The State has requested a waiver to permit an increase in employer reimbursement for on-the-job training through a sliding scale based on the size of the business. The State is granted this waiver through June 30, 2017. Under the waiver, the following reimbursement amounts will be permitted: 1) up to 90 percent for employers with 50 or fewer employees, and 2) up to 75 percent for employers with 51-250 employees. For employers with more than 250 employees, the current statutory requirements (50 percent reimbursement) will continue to apply. When determining the funding source for on-the-job training, the State must use the appropriate program funds for the appropriate WIA-eligible population. The State and local area may provide on-the-job training to individuals age 18 and older with WIA Adult funds and must provide priority to low-income individuals when funds are limited; the State and local area may provide on-the-job training to dislocated workers with WIA Dislocated Worker funds. On-the-job training provided with statewide funds must serve WIA eligible individuals.

Waiver of WIA section 181(e) to permit the use of WIA funds of up to \$5,000 to capitalize a small business in concert with entrepreneurial or small business training.

In a letter dated August 19, 2010, ETA granted Louisiana approval to apply this waiver to its National Emergency Grant (NEG) for the Gulf oil spill (EM-20647-10-60-A-22) through a grant modification. This waiver permits the use of NEG funds of up to \$5,000 to capitalize a small business in concert with entrepreneurial or small business training for the individual benefiting from the capitalization, within certain parameters. The approval for this waiver and the conditions set upon its use as detailed in the August 19, 2010 letter, remain in effect through June 30, 2013.

Waiver of WIA Section 134(a)(2)(B)(iii) and 20 CFR 665.200(e) to exempt a state from the requirement to provide local workforce investment area incentive grants.

The State is requesting a waiver of the requirement to provide local workforce investment areas incentive grants to reward regional cooperation, local coordination of activities, and exemplary performance. The State is granted this waiver through June 30, 2013.

Waiver of 20 CFR 665.200(b)(3) to exempt the state from the requirement to disseminate training provider performance and cost information.

The State is requesting a waiver of the requirement to disseminate training provider performance and cost information. The State is granted this waiver through June 30, 2013.

Denied Waivers:

Waiver of WIA Section 134(a)(2)(B)(i), 20 CFR 665.200(b)(1), and 20 CFR 665.200(b)(4) to exempt the state from disseminating the list of eligible training providers for adults, dislocated workers, and youth activities.

The State is requesting a waiver of the requirement to disseminate the list of eligible training providers. ETA denies this request. ETA believes disseminating the list of eligible training providers is essential to effective participant service provision.

Waiver of WIA Section 20 CFR 667.410(b)(2)(v) to exempt the state from the requirement to monitor for compliance with Equal Employment Opportunity.

Provisions related to nondiscrimination are excluded from the WIA waiver authority, and cannot be waived. Therefore, we are denying this waiver.

Waiver of 20 CFR 618.890 to exempt the state from the requirement to provide Trade Act-funded functions with state government personnel.

WIA waiver authority does not extend to the Trade Act or its regulations. Therefore, ETA denies this waiver.

Waivers Under Review:

Waiver of WIA Section 123 that requires that providers of Youth program elements be selected on a competitive basis.

The State is requesting a waiver of the requirement for competitive procurement of service providers for six youth program elements. This request remains under consideration, and ETA will respond in a separate letter.

Waiver of 20 CFR 667.410(b)(2)(i) that requires the state to monitor local workforce investment areas on-site on an annual basis.

The State is requesting a waiver of the requirement to conduct annual on-site monitoring reviews of local areas for compliance with the Workforce Investment Act as well as DOL's uniform administrative requirements and the OMB Cost Principles. The State will continue to monitor annually, however it proposes to conduct on-site monitoring every other year and substitute a desk review for the years where on-site monitoring is not performed. This request remains under consideration, and ETA will respond in a separate letter.

The approved waivers are incorporated by reference into the State's WIA Grant Agreement, as provided for under paragraph 3 of the executed Agreement, and this constitutes a modification of the State Plan. A copy of this letter should be filed with the State's WIA Grant Agreement and the approved State Plan. In addition, as described in TEGL No. 29-11, the State should address the impact these waivers have had on the State's performance in the WIA annual performance report, due on October 1 of each year.

We look forward to working together as you implement your State Integrated Workforce Plan for PY 2012 and beyond. If you have any questions related to the issues discussed above, please contact Rebecca Sarmiento, the Federal Project Officer for Louisiana, at (972) 850-4621 and Sarmiento.Rebecca@dol.gov.

Sincerely,

A handwritten signature in black ink that reads "Jane Oates". The signature is stylized with a large, looped "J" and a cursive "Oates".

Jane Oates
Assistant Secretary

Enclosure

cc: Joe Juarez, Regional Administrator, ETA Dallas Regional Office
Rebecca Sarmiento, Federal Project Officer for Louisiana